AMENDMENT NUMBER THREE TO REQUEST FOR PROPOSALS PREMISE CABLING, EQUIPMENT INSTALLATION, AND CONFIGURATION SERVICES FOR THE STATE OF TENNESSEE SBC Project 529/000-28-2007

This Request for Proposals is hereby amended as follows:

1. Pro Forma Contract-Section 06 12 01,

Add the following as Section A.5

- A.5 **Joint Ventures and Subcontracting in the Provision of Services.** If the vendor business organization for this Contract involves a Joint Venture approach or make use of any sub-contractors in the provision of the services described herein, the following provisions apply:
 - A.5.a The State will execute only one Contract for the provision of services described herein.
 - A.5.b The State will only interact with one management structure and one primary contact person. If the Contractor's business organization involves Joint Ventures or sub-contractors, from a management viewpoint, this shall be transparent to the State.
 - A.5.c The State will only interact with one billing system. Therefore, if the Contractor has multiple billing systems as a result of its organizational structure, it must consolidate these for purposes of interacting with the State, such that the State will only interact with one system.
 - A.5.d The State will only allow sub-contracting provided that no one sub-contractor, or combination of sub-contractors, provides the majority of the services provided under this Contract.

2. PROPOSAL AND EVALUATION GUIDE – SECTION B-Section 03 12 00,

Delete Item B.3 in its entirety and replace it with the following:

B.3	Provide the following information for the Proposer-chosen manufacturer of the certified solution:
	a. Written confirmation, including complete test results, from an independent testing entity that the end to end solution proposed is cat 6 compliant and provides additional headroom (including, but not limited to, bandwidth and frequency) for the premium solution.
	 Written confirmation, including complete test results, from an independent testing entity that the end to end solution proposed is cat 6 compliant for the nominal solution.

 Number of years with specified manufacturer product certification. If not currently certified, describe plans for obtaining certification.

3. Pro Forma Contract-Section 06 12 01

Delete Section A.2.c in its entirety and replace it with the following:

- A.2.c The Contractor shall provide a minimum twenty-year warranty for new installation and/or extensions to existing installations. The State's warranty requirements shall be as follows:
 - i. This warranty shall be backed by the contractor chosen state approved certifying manufacturer and its Business Partners.
 - ii. This warranty shall also be backed by the Contractor and must include a provision whereby the manufacturer through another certified contractor shall repair or replace, at its discretion, any component found defective during the warranty period.
 - iii. All warranty repairs shall be made at no cost to the State.
 - iv. Notwithstanding the foregoing, with regard to components that were installed prior to the Start date of this Contract (the "embedded base"), the following provisions apply:
 - (1) The Contractor shall not be required to provide a warranty on the embedded-base components. Embedded base components will be covered under their own manufacturer's warranties, as applicable.
 - (2) The Contractor shall maintain the embedded base's operability by repairing the faulty components or replacing them with new-solution components, or in some cases and at the State's discretion, by replacing faulty components with embedded base components. For this purpose, the State has provided a limited number of embedded-base line items on the Cost Proposal Spreadsheet.
 - (3) The Contractor may charge the State for non-warranty repairs. However, in all cases the Contractor shall perform the repair in a way that results in the least cost to the State. For example, if the vendor is performing a repair and determines that the least-cost (to the State) solution would be to replace a faulty component with an embedded base component from the Cost Proposal Spreadsheet, the technician shall execute this "least-cost" solution.
 - (4) The State understands and accepts that the Contractor's technicians may not be certified in embedded base components and therefore when these technicians perform work on embedded base components that this may void embedded base warranties.

- (5) For new-solution components, the Contractor shall provide the 20-year warranty, as described in Section A.2.c. and its subsections.
- (6) After the components are repaired or replaced, the Contractor must ensure that compliance of the overall solution is still at the original level.

4. Pro Forma Contract-Section 06 12 01

Delete the first paragraph of Section E.5 in its entirety and replace it with the following:

E.5 Contract Bond. Contractor shall provide a Contract Bond in an amount of TWO MILLION DOLLARS (\$2,000,000.00) based upon the State's exposure for no less than six (6) months of one hundred percent (100%) of the annual Maximum Liability amount for this Contract. The Contract Bond amount shall be adjusted over the course of the Contract with each modification of the annual Maximum Liability, based upon the unencumbered value of the Contract amount, and adjusted proportionate to the change in the unencumbered value. The unencumbered value is determined as the contract amount (maximum liability), less the current total of completed and accepted Work Order Sums at time of modification execution. For example, assume that the Contract Maximum liability on the Contract start date was \$10,000,000, with a matching unencumbered amount; and at the end of the first year, the unencumbered amount was reduced to \$9,000,000 as a result of completed and accepted work, then the change to the unencumbered amount would be a reduction of 10%; therefore, the performance bond would be reduced by 10%, from \$2,000,000 to \$1,800,000.

END OF AMENDMENT NUMBER THREE